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UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re:) Case No.: 2:22-bk-10266-BB

ESCADA AMERICA LLC,) Chapter 11 Case
) Subchapter V

Debtor and Debtor in Possession.

) Case No.: 2:22-bk-10266-BB
)
) Chapter 11 Case
) Subchapter V
)
) **SUPPLEMENT TO MOTION FOR
ORDER: (I) AUTHORIZING USE OF
CASH COLLATERAL PURSUANT TO
SECTION 363 OF THE BANKRUPTCY
CODE; AND (II) APPROVING
ADEQUATE PROTECTION;
DECLARATION OF KEVIN WALSH IN
SUPPORT**
)
)
) Hearing:
) Date: April 27, 2022
) Time: 10:00 a.m.
) Place: Courtroom 1539
) 255 East Temple Street
) Los Angeles, CA 90012
)
) Hearing to be held in-person and by video-
conference Government Zoom, see Court's
website under "Telephonic Instructions" for
more details:
) <https://www.cacb.uscourts.gov/judges/honorable-sheri-bluebond>
)
)
)

1 Escada America LLC, a Delaware limited liability company (the “Debtor”), the debtor
2 and debtor in possession in the above-captioned, chapter 11 bankruptcy case, hereby respectfully
3 submits its supplement to the Debtor’s “Motion for Order: (I) Authorizing Use of Cash Collateral
4 Pursuant to Section 363 of the Bankruptcy Code; and (II) Approving Adequate Protection” (the
5 “Motion”) [ECF 101] and the declaration of Kevin Walsh (“Declaration”) annexed hereto in
6 support. Attached as Exhibit 1 to the Declaration is a true and correct copy of the Debtor’s
7 revised budget (the “Budget”), which has added the following line item expenses since the
8 version of the budget attached to the Motion:

9 • Administrative professional fees for Debtor’s general bankruptcy counsel
10 (LNBYG)
11 • Administrative professional fees for the subchapter V trustee
12 • Administrative professional fees for the Debtor’s accountant (HCVT)
13 • A one-time deposit for FedEx for shipping

14 The revised Budget attached hereto reflects two updates since the previous budget
15 attached to the Motion was filed on March 16, 2022.

16 On April 13, 2022, the Debtor gave notice that administrative fee applications would be
17 held on June 1, 2022. Accordingly, the revised Budget includes line items in the week ending
18 June 3, 2022, for payment of administrative professional fees to LNBYG, HCVT, and the
19 subchapter V trustee (subject to court approval on a properly noticed fee application pursuant to
20 § 330).

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1 In April 2022, FedEx informed the Debtor that to continue doing business with the
2 Debtor during the bankruptcy case, FedEx would require an advance deposit of \$24,000, hence,
3 the addition of that line item in the revised Budget.

4
5 Dated: April 20, 2022

ESCADA AMERICA LLC

6 By: /s/ John-Patrick M. Fritz
7 JOHN-PATRICK M. FRITZ
8 LEVENE, NEALE, BENDER,
9 YOO & GOLUBCHIK L.L.P.
10 Attorneys for Chapter 11
11 Debtor and Debtor in Possession

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DECLARATION OF KEVIN WALSH

I, Kevin Walsh, hereby declare as follows:

1. I have personal knowledge of the facts set forth below and, if called to testify, would and could competently testify thereto.

2. I am the Director of Finance for Escada America LLC, a Delaware limited liability company. (the “Debtor”), the debtor and debtor in possession in this chapter 11 bankruptcy case.

3. I am an experienced finance professional, having worked for the Debtor since 2016 and with prior work experience at Fortune 500 companies including Johnson & Johnson (Controller/Director) and Pfizer (Finance Director).

4. I have reviewed and am familiar with and am knowledgeable about the books and records of the Debtor, which books and records are made in the regular practice of business, kept in the regular course of business, made by a person with knowledge of the events and information related thereto, and made at or near the time of events and information recorded.

5. I make this declaration in support of the Debtor's supplement (the "Supplement") to its "Motion for Order: (I) Authorizing Use of Cash Collateral Pursuant to Section 363 of the Bankruptcy Code; and (II) Approving Adequate Protection" (the "Motion").

6. The Debtor commenced its bankruptcy case by filing a voluntary petition under chapter 11 of the Bankruptcy Code on January 18, 2022, (the “Petition Date”). The Debtor continues to manage its financial affairs, operate its business, and administer its bankruptcy estate as a debtor in possession.

7. Attached as **Exhibit 1** to my declaration is a true and correct copy of the Debtor's revised budget (the "Budget"), which has added the following line item expenses since the version of the budget attached to the Motion:

- Administrative professional fees for Debtor's general bankruptcy counsel (LNBYG)
- Administrative professional fees for the subchapter V trustee

- Administrative professional fees for the Debtor's accountant (HCVT)
- A one-time deposit for FedEx for shipping

8. The revised Budget attached hereto reflects two updates since the previous budget attached to the Motion was filed on March 16, 2022.

9. On April 13, 2022, the Debtor gave notice that administrative fee applications would be held on June 1, 2022. Accordingly, the revised Budget includes line items in the week ending June 3, 2022, for payment of administrative professional fees to LNYG, HCVT, and the subchapter V trustee (subject to court approval on a properly noticed fee application pursuant to § 330).

10. In April 2022, FedEx informed the Debtor that to continue doing business with the Debtor during the bankruptcy case, FedEx would require an advance deposit of \$24,000, hence, the addition of that line item in the revised Budget.

I declare and verify under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Executed on this 20th day of April 2022, at New York , NY

Kevin Walsh, Declarant

Kevin J Walsh

Exhibit 1

Confidential and Privileged

Escada America LLC										Cash flow Projections				Total	
\$ in Thousands, Except per Unit Data															
F cst / Act	FCST	FCST	WE	FCST	FCST	WE	WE	WE	WE						
Projection Week	1	2	3	4	5	6	7	8	9	FCST	FCST	WE	WE	WE	WE
Week Ending	04/22/22	04/29/22	05/06/22	05/13/22	05/20/22	05/27/22	06/03/22	06/10/22	06/17/22	06/24/22	07/01/22	07/08/22	07/15/22	07/15/22	07/15/22
1 Beginning Cash	\$1,600	\$1,633	\$1,592	\$1,551	\$1,529	\$1,531	\$1,482	\$1,251	\$1,253	\$1,265	\$1,223	\$1,194	\$1,196	\$1,196	\$1,196
2															
3 (+) FP Receipts		\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$936
4 (+) OOU Receipts		-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 (+) WHS Receipts		-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 (+) Other Receipts		-	20	-	-	20	-	-	-	-	20	-	-	-	60
7 Total Receipts	\$72	\$92	\$72	\$72	\$72	\$92	\$72	\$72	\$72	\$72	\$92	\$72	\$72	\$996	\$996
8															
9 (-) Consignment Fee		(\$11)	(\$14)	(\$11)	(\$11)	(\$11)	(\$14)	(\$11)	(\$11)	(\$11)	(\$14)	(\$11)	(\$11)	(\$11)	(\$149)
10 (-) HQ Personnel		-	(20)	-	(20)	-	(20)	-	(20)	-	(20)	-	(20)	-	(120)
11 (-) Store Personnel		-	(33)	-	(33)	-	(33)	-	(33)	-	(33)	-	(33)	-	(138)
12 (-) Store Retention Bonus 2		(11)	-	(25)	-	(25)	-	(1)	-	(1)	-	(1)	-	(1)	(64)
13 (-) Selling and Shipping		(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(28)
14 (-) Store Rent		-	(97)	-	-	(97)	-	-	(97)	-	(97)	-	(97)	-	(291)
15 (-) Warehouse Rent		-	-	-	-	-	-	-	-	-	-	-	-	-	-
16 (-) Financial Charges		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(14)
17 (-) Benefits		-	(45)	-	-	(45)	-	-	(45)	-	(45)	-	-	-	(135)
18 (-) Misc. (Facilities & Other)		(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(23)
19 (-) Utilities, Telephones, Networks		-	(5)	-	-	(5)	-	(5)	-	(5)	-	(5)	-	(5)	(15)
20 (-) Taxes		-	-	-	(54)	-	-	(44)	-	-	(44)	-	-	-	(44)
21 (-) Professional Fees - LNBYG		-	-	-	-	-	(125)	-	(125)	-	-	-	-	-	-
22 (-) Professional Fees - Sub V Trustee		-	-	-	-	-	(35)	-	(35)	-	-	-	-	-	-
23 (-) Professional Fees - HCVT		-	-	-	-	-	(25)	-	(25)	-	-	-	-	-	(24)
24 (-) FedEx One Time Deposit		(24)	-	-	-	-	-	-	-	-	-	-	-	-	(24)
25 Total Disbursements	(\$39)	(\$133)	(\$113)	(\$94)	(\$70)	(\$142)	(\$303)	(\$70)	(\$59)	(\$115)	(\$121)	(\$70)	(\$59)	(\$1,202)	(\$1,202)
26															
27 Weekly Net Operating Cash	\$33	(\$41)	(\$41)	(\$22)	\$2	(\$50)	(\$231)	\$2	\$13	(\$43)	(\$29)	\$2	\$13	(\$206)	(\$206)
28															
36 Ending Cash	\$1,633	\$1,592	\$1,551	\$1,529	\$1,531	\$1,482	\$1,251	\$1,253	\$1,265	\$1,223	\$1,194	\$1,196	\$1,209	\$1,394	\$1,394

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 2818 La Cienega Avenue, Las Angeles, CA 90034

A true and correct copy of the foregoing document entitled **SUPPLEMENT TO MOTION FOR ORDER: (I) AUTHORIZING USE OF CASH COLLATERAL PURSUANT TO SECTION 363 OF THE BANKRUPTCY CODE; AND (II) APPROVING ADEQUATE PROTECTION; DECLARATION OF KEVIN WALSH IN SUPPORT** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **April 21, 2022**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL: On **April 21, 2022**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

The Honorable Sheri Bluebond
United States Bankruptcy Court
Central District of California
Edward R. Roybal Federal Building and Courthouse
255 E. Temple Street, Suite 1534 / Courtroom 1539
Los Angeles, CA 90012

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **April 21, 2022**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

April 21, 2022

Date

Jason Klassi

Type Name

/s/ Jason Klassi

Signature

1 **2:22-bk-10266-BB Notice will be electronically mailed to:**
2 Dustin P Branch on behalf of Creditor The Macerich Company
branchd@ballardspahr.com, carolod@ballardspahr.com;hubenb@ballardspahr.com
3 John C Cannizzaro on behalf of Creditor 717 GFC LLC
john.cannizzaro@icemiller.com, julia.yankula@icemiller.com
5 Michael J Darlow on behalf of Creditor Harris County Municipal Utility District #358
mdarlow@pbfc.com, tpope@pbfc.com
6 Caroline Djang on behalf of Interested Party Caroline R. Djang
caroline.djang@bbklaw.com, laurie.verstegen@bbklaw.com;wilma.escalante@bbklaw.com
8 Eryk R Escobar on behalf of U.S. Trustee United States Trustee (LA)
eryk.r.escobar@usdoj.gov
9 John-Patrick M Fritz on behalf of Debtor Escada America, LLC
jpf@lnbyg.com, JPF.LNBYB@ecf.inforuptcy.com
11 William W Huckins on behalf of Creditor Brookfield Properties Retail, Inc.
whuckins@allenmatkins.com, clynch@allenmatkins.com;igold@allenmatkins.com
12 William W Huckins on behalf of Creditor SIMON PROPERTY GROUP INC
whuckins@allenmatkins.com, clynch@allenmatkins.com;igold@allenmatkins.com
14 Gregory Kent Jones (TR)
gjones@sycr.com, smjohnson@sycr.com;C191@ecfcbs.com;cpesis@stradlinglaw.com
15 Michael S Kogan on behalf of Creditor Michael Kogan Law Firm, APC
mkogan@koganlawfirm.com
17 Kristen N Pate on behalf of Creditor Brookfield Properties Retail, Inc.
ggpbk@ggp.com
18 Lindsey L Smith on behalf of Debtor Escada America, LLC
lls@lnbyg.com, lls@ecf.inforuptcy.com
20 Ronald M Tucker, Esq on behalf of Creditor SIMON PROPERTY GROUP INC
rtucker@simon.com, cmartin@simon.com;psummers@simon.com;Bankruptcy@simon.com
21 United States Trustee (LA)
ustpregion16.la.ecf@usdoj.gov
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Escada 9277 20 Largest and RSN		
717 GFC LLC Attn: Mrs.Tsui Yeung 500 5th Avenue 54 th Floor New York City, NY 10110	Beverly Hills Wilshire Hotel 9500 WILSHIRE BLVD BEVERLY HILLS, CA 90212	SAMSON MANAGEMENT CORP. Attn.: Kathy Panaro 97-77 QUEENS BLVD, SUITE 710 REGO PARK, NY 11374
Chicago Oak Street Partners, LLC Attn: Lesley Pembroke 1343 N. Wells Street, Rear Bldg. Chicago, IL 60610	Alliant Insurance Services, Inc. 701 B St 6th Floor San Diego, CA 92101	SPG HOUSTON HOLDINGS,LP PO Box 822693 PHILADELPHIA, PA 19182-2693
Las Vegas North Outlets, LLC Attn: Marie Wood 875 South Grand Central Parkway, #1 Las Vegas, NV 89106	Ala Moana Anchor Acquisition, LLC Attn: Lisa Gordon PO Box 860375 Minneapolis, MN 55486-0074	CHETRIT 1412 LLC Attn: Nativ Winiarsky PO Box 785000 PHILADELPHIA, PA 10018
Syzygy Performance GmbH Osterwaldstra e 10 Munchen, Germany 80805-0000	Scottsdale Fashion Square LLC Attn: Tamara Ortega PO Box 31001-2156 Pasadena, CA 91110-2156	Woodbury Common Premium Outlets Attn: Marie Wood PO Box 822884 Philadelphia, PA 19182-2884
Premium Outlet Partners LP Attn: Leslie C. Traylor PO Box 822873 Philadelphia, PA 19182-2873	Bal Harbour Shops LLLP Attn: Lorena Dehogues 9700 Collins Avenue Bal Harbour, FL 33154	METROPOLITAN TELECOMM. PO Box 9660 MANCHESTER, NH 03108-9660
AMERICAN EXPRESS PO Box 1270 NEWARK, NJ 07101-1270	Johnson Controls Security Solutions Attn: Virgil Guerra PO Box 371994 Pittsburgh, PA 15250-7994	Simon Property Group LP 2696 Solution Center Chicago, IL 60677-2006
Cushman and Wakefield Attn: Kaleb McCullough 1290 Avenue of the Americas New York, NY 10104	Funaro & co., P.C. Attn: Joseph M. Catalano 350 Fifth Avenue, 41st Fl New York, NY 10118	Sawgrass Mills Phase IV, L.L.C. c/o M.S. Management Associates Inc., 225 W Washington St, Indianapolis, IN 46204
<u>RSN</u> Dustin P. Branch, Esq. Jessica M. Simon, Esq. Nahal Zarnighian, Esq. BALLARD SPAHR LLP 2029 Century Park East, Suite 1400 Los Angeles, CA 90067-2915	<u>RSN</u> Simon Property Group, Inc. Attn: Ronald M. Tucker, Esq. 225 West Washington Street Indianapolis, Indiana 46204	
<u>Secured</u> Eden Roc International, LLC 9720 Wilshire Blvd. 6th Floor Beverly Hills, CA 90212	<u>Secured</u> Escada Sourcing and Production LLC 9720 Wilshire Blvd. 6th Floor Beverly Hills, CA 90212	<u>Secured</u> Mega International, LLC 9720 Wilshire Blvd. 6th Floor Beverly Hills, CA 90212